1998 Parliament Party Zone Analysis - GMR

Analysis of Margin Calculated on Selected Costs

TOTAL PROGRAM (SELL IN, EXECUTION, FLORIDA)	1997 Program	FULL PROGRAM GMR Proposal	Recommended
MARGIN ITEMS:			
Surveyors/Local Managers (Includes GMR Internal Labor)	$594,770	$705,911	$700,626
Production			
Training Manuals	$3,000	$3,150	$3,150
Training Labor	$28,350	$0	$0
Materials	$31,000	$0	$0
Alternative Media Buying			
Video Recap	$40,000	$50,000	$50,000
Uniforms	$65,000	$53,360	$53,360
SUBTOTAL	**$762,120**	**$812,421**	**$807,136**
NON MARGIN ITEMS:			
Club Payments	$334,500	$316,140	$316,140
BANDS/ARTISTS	$87,600	$72,000	$72,000
Training Exp. hotel/food	$27,750	$24,150	$24,150
Surveyor Exp.	$181,324	$201,525	$201,450
OTHER TRAVEL - SELL IN	$73,000	$0	$0
Vehicles	$150,820	$110,700	$110,370
Warehousing - Local	$18,550	$19,600	$19,600
Warehousing - Central (S&H)	$30,000	$30,000	$30,000
Admin (Phone, Fax, PGRS, Fed Ex)	$165,200	$0	$0
Insurance	$17,000	$4,000	$4,000
Background Checks	$27,500	$6,720	$6,720
Misc. Mgr. Admin Travel			
Executive Travel	$162,540	$151,020	$151,020
Pack Sales (License & Product)	$98,500	$128,000	$127,100
Hospitality	$5,000	$5,000	$5,000
High End Giveaways skis atm bikes	$100,000	$67,500	$33,500
Housing	$5,000	$38,000	$37,000
Postcard Systems (If no margin reclass to margin cost)	$310,000	$380,000	$375,000
Robotic Lighting Sys. (If no margin reclass to margin cost)	$120,000	$53,360	$53,360
SUBTOTAL	**$1,914,284**	**$1,607,715**	**$1,566,410**
TOTAL COSTS	**$2,676,404**	**$2,420,136**	**$2,373,546**
MANAGEMENT FEE	**$383,000**	**$364,300**	**$301,508**
TOTAL PROGRAM	**$3,059,404**	**$2,784,436**	**$2,675,054**
% ON MARGIN ITEMS	**50.25%**	**44.84%**	**37.36%**

46,590
62,792
diff 109,382

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Source: https://www.industrydocuments.ucsf.edu/docs/rrpm0004

1998 Parliament Party Zone Analysis - GMR

FLORIDA MARKET - NEGOTIATED SEPERATELY (Cost shown are based on proposed costs during Negotiation)	1997 Florida Only	1998 GMR #1	Recommended
MARGIN ITEMS			
Labor	$126,676	N/A	N/A
Labor - Agency Fee on Training	$8,100	N/A	N/A
Uniforms	$15,000	N/A	N/A
SUBTOTAL	$149,776	N/A	N/A
FLORIDA NON MARGIN			
Digital Postcard	$60,000	N/A	N/A
Design and Execution of Robotic Lighting	$60,000	N/A	N/A
Cigarettes	$20,000	N/A	N/A
Club Payments	$62,500	N/A	N/A
Band Artists	$8,600	N/A	N/A
Premium Giveaways	$20,000	N/A	N/A
Executive Travel	$36,040	N/A	N/A
Insurance	$5,000	N/A	N/A
Background Checks	$2,500	N/A	N/A
Licenses for Tobacco	$1,500	N/A	N/A
Warehousing	$3,500	N/A	N/A
Event Mgr. Admin	$7,000	N/A	N/A
Corp. Admin	$30,500	N/A	N/A
Team Expenses	$7,500	N/A	N/A
Cars and Vans Expenses	$49,250	N/A	N/A
Training Expenses	$10,500	N/A	N/A
SUBTOTAL	**$384,390**	N/A	N/A
TOTAL COST	**$534,166**	N/A	N/A
MANAGEMENT FEE - FLORIDA ONLY	**$80,000**	N/A	N/A
TOTAL PROGRAM - FLORIDA ONLY	**$614,166**	N/A	N/A
% ON MARGIN ITEMS	**53.41%**	N/A	N/A

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Source: https://www.industrydocuments.ucsf.edu/docs/rrpm0004

1998 Parliament Party Zone Analysis - GMR EXECUTION ONLY: (Competitively Priced based on 3 Bids)	1997 Execution Only	1998 GMR #1 FI/Exec/Sell In	Recommended FI/Exec/Sell In
MARGIN ITEMS			
Surveyors/Local Managers (Includes GMR Internal Labor)	$415,390	N/A	N/A
Production	$0	N/A	N/A
Training Manuals	$3,000	N/A	N/A
Training Labor	$20,250	N/A	N/A
Materials	$17,000	N/A	N/A
Alternative Media Buying	$0	N/A	N/A
Video Recap	$40,000	N/A	N/A
Uniforms	$50,000	N/A	N/A
SUBTOTAL	$545,640	N/A	N/A
NON MARGIN ITEMS			
Club Payments	$0	N/A	N/A
BANDS/ARTISTS	$79,000	N/A	N/A
Training Exp.	$17,250	N/A	N/A
Surveyor Exp.	$173,824	N/A	N/A
OTHER TRAVEL - SELL IN	$0	N/A	N/A
Vehicles	$101,570	N/A	N/A
Warehousing - Local	$15,050	N/A	N/A
Warehousing - Central (S&H)	$30,000	N/A	N/A
Admin (Phone, Fax, PGRS, Fed Ex)	$107,000	N/A	N/A
Insurance	$12,000	N/A	N/A
Background Checks	$25,000	N/A	N/A
Misc. Mgr. Admin Travel	$0	N/A	N/A
Executive Travel	$126,500	N/A	N/A
Pack Sales (License & Product)	$77,000	N/A	N/A
Hospitality	$5,000	N/A	N/A
High End Giveaways	$80,000	N/A	N/A
Housing	$5,000	N/A	N/A
Postcard Systems (If no margin reclass to margin cost)	$250,000	N/A	N/A
Robotic Lighting Sys. (If no margin reclass to margin cost)	$60,000	N/A	N/A
SUBTOTAL	**$1,164,194**	N/A	N/A
TOTAL COST - EXECUTION (BID)	**$1,709,834**	N/A	N/A
MANAGEMENT FEE	**$207,000**	N/A	N/A
% ON MARGIN ITEMS	**37.94%**		

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Source: https://www.industrydocuments.ucsf.edu/docs/rrpm0004

1998 Parliament Party Zone Analysis - GMR

SELL IN ONLY (NOT BID):	1997 Program	1998 GMR #1	1998 Recommended
MARGIN ITEMS			
Surveyors/Local Managers (Includes GMR Internal Labor)	$52,704	N/A	N/A
Production	$0	N/A	N/A
Training Manuals	$0	N/A	N/A
Training Labor	$0	N/A	N/A
Materials	$14,000	N/A	N/A
Alternative Media Buying	$0	N/A	N/A
Video Recap	$0	N/A	N/A
Uniforms	$0	N/A	N/A
SUBTOTAL	$66,704	N/A	N/A
NON MARGIN ITEMS			
Club Payments	$272,000	N/A	N/A
BANDS/ARTISTS	$0	N/A	N/A
Training Exp.	$0	N/A	N/A
Surveyor Exp.	$0	N/A	N/A
OTHER TRAVEL - SELL IN	$73,000	N/A	N/A
Vehicles	$0	N/A	N/A
Warehousing - Local	$0	N/A	N/A
Warehousing - Central (S&H)	$0	N/A	N/A
Admin (Phone, Fax, PGRS, Fed Ex)	$20,700	N/A	N/A
Insurance	$0	N/A	N/A
Background Checks	$0	N/A	N/A
Misc. Mgr. Admin Travel	$0	N/A	N/A
Executive Travel	$0	N/A	N/A
Pack Sales (License & Product)	$0	N/A	N/A
Hospitality	$0	N/A	N/A
High End Giveaways	$0	N/A	N/A
Housing	$0	N/A	N/A
Postcard Systems	$0	N/A	N/A
Robotic Lighting Systems	$0	N/A	N/A
SUBTOTAL	**$365,700**	N/A	N/A
TOTAL COST - Sell In (NOT BID)	**$432,404**	N/A	N/A
MANAGEMENT FEE	**$96,000**	N/A	N/A
% ON MARGIN ITEMS	**143.92%**		

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Source: https://www.industrydocuments.ucsf.edu/docs/rrpm0004

1998 Parliament Party Zone Analysis - GMR

Summary Analysis

	1997 Program	1998 GMR #1	1998 Recommended
SELL IN ONLY:			
MARGIN COSTS	$66,704	Included Below	Included Below
NON MARGIN COSTS	$365,700	Included Below	Included Below
MANAGEMENT FEE	$96,000	Included Below	Included Below
% ON MARGIN ITEMS	143.92%	Included Below	Included Below
EXECUTION ONLY:			
MARGIN COSTS	$545,640	Included Below	Included Below
NON MARGIN COSTS	$1,164,194	Included Below	Included Below
MANAGEMENT FEE	$207,000	Included Below	Included Below
% ON MARGIN ITEMS	37.94%	Included Below	Included Below
FLORIDA EXPANSION:			
MARGIN COSTS	$149,776	Included Below	Included Below
NON MARGIN COSTS	$384,390	Included Below	Included Below
MANAGEMENT FEE	$80,000	Included Below	Included Below
% ON MARGIN ITEMS	53.41%	Included Below	Included Below
FULL PROGRAM (Sell In, Florida Exp., Execution)			
ALL MARGIN COSTS	$752,120	$812,421	$807,136
ALL NON MARGIN COSTS	$1,914,284	$1,607,715	$1,566,410
TOTAL MANAGEMENT FEE	$383,000	$364,300	$301,508
% ON MARGIN ITEMS	50.25%	44.84%	37.36%
Fee on Competitive Bid Margin		**37.94%**	**$306,204**
Fee on VS Margin (Proposed by PM)		**34.00%**	**$274,426**
Fee Based on VS Program Margin (Based on '97 Actual Costs)		**31.00%**	**$250,212**
Fee Proposal by GMR		**44.84%**	**$364,300**
CURRENT PM USA PROPOSAL			**$290,849**

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Source: https://www.industrydocuments.ucsf.edu/docs/rrpm0004